

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
United Telecom, Inc.)	Complaint Nos. 645383
)	2163371
Complaints Regarding)	
Unauthorized Change of)	
Subscribers' Telecommunications Carrier)	

ORDER

Adopted: April 26, 2019

Released: April 26, 2019

By the Deputy Chief, Consumer Policy Division, Consumer and Governmental Affairs Bureau:

1. In this Order, we consider two complaints¹ alleging that United Telecom, Inc. (United) changed Complainants' telecommunications service providers without obtaining authorization and verification from Complainants in violation of the Commission's rules.² We conclude that United's actions violated the Commission's carrier change rules, and we therefore grant Complainants' complaints.

2. Section 258 of the Communications Act of 1934 (the Act), as amended, prohibits the practice of "slamming," the submission or execution of an unauthorized change in a subscriber's selection of a provider of telephone exchange service or telephone toll service.³ The Commission's implementing rules require, among other things, that a carrier receive individual subscriber consent before a carrier change may occur.⁴ Specifically, a carrier must: (1) obtain the subscriber's written or electronically signed authorization in a format that meets the requirements of Section 64.1130; (2) obtain confirmation from the subscriber via a toll-free number provided exclusively for the purpose of confirming orders electronically; or (3) utilize an appropriately qualified independent third party to verify the subscriber's order.⁵ The Commission also has adopted rules to limit the liability of subscribers when a carrier change occurs, and to require carriers involved in slamming practices to compensate subscribers whose carriers were changed without authorization.⁶

¹ See Informal Complaint No. 645383, filed Nov. 9, 2015; Informal Complaint No. 2163371, filed Jan. 12, 2018.

² See 47 CFR §§ 64.1100 – 64.1190.

³ 47 U.S.C. § 258(a).

⁴ See 47 CFR § 64.1120.

⁵ See *id.* § 64.1120(c). Section 64.1130 details the requirements for letter of agency form and content for written or electronically signed authorizations. *Id.* § 64.1130.

⁶ These rules require the carrier to absolve the subscriber where the subscriber has not paid his or her bill. If the subscriber has not already paid charges to the unauthorized carrier, the subscriber is absolved of liability for charges imposed by the unauthorized carrier for service provided during the first 30 days after the unauthorized change. See *id.* §§ 64.1140, 64.1160. Any charges imposed by the unauthorized carrier on the subscriber for service provided after this 30-day period shall be paid by the subscriber to the authorized carrier at the rates the subscriber was paying to the authorized carrier at the time of the unauthorized change. *Id.* Where the subscriber has paid charges to the unauthorized carrier, the Commission's rules require that the unauthorized carrier pay 150 percent of those charges

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3. We received Complainants' complaints alleging that Complainants' telecommunications service providers had been changed without Complainants' authorization. Pursuant to Sections 1.719 and 64.1150 of our rules, we notified United of the complaints.⁷ United responded, stating that it had obtained authorization from the Complainants through third-party verification (TPV).⁸ We have reviewed the TPVs filed with United's responses and find that the verifiers' speech is so rapid so as to be extremely difficult to understand and, in some places, completely indecipherable. As we have similarly determined in previous orders, we find that United has failed to provide clear and convincing evidence of valid authorized carrier changes.⁹ Therefore, we find that United's actions resulted in violations of our carrier change rules, and we discuss United's liability below.¹⁰

4. United must remove all charges incurred for service provided to Complainants for the first thirty days after the alleged unauthorized changes in accordance with the Commission's liability rules.¹¹ We have determined that Complainants are entitled to absolution for the charges incurred during the first thirty days after the unauthorized changes occurred and that neither the Complainants' authorized carriers nor United may pursue any collection against Complainants for those charges.¹² Any charges imposed by United on the Complainants for service provided after this 30-day period shall be paid by the Complainants to the authorized carriers at the rates the Complainants were paying the authorized carriers at the time of the unauthorized change of their telecommunications service providers.¹³

5. Accordingly, IT IS ORDERED that, pursuant to Section 258 of the Communications Act of 1934, as amended, 47 U.S.C. § 258, and Sections 0.141, 0.361, and 1.719 of the Commission's rules, 47 CFR §§ 0.141, 0.361, 1.719, the complaints against United Telecom, Inc. ARE GRANTED.

6. IT IS FURTHER ORDERED that, pursuant to Section 64.1170(d) of the Commission's rules, 47 CFR § 64.1170(d), Complainants are entitled to absolution for the charges incurred during the first thirty days after the unauthorized changes occurred and that United Telecom, Inc. may not pursue any collection against Complainants for those charges.

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to the authorized carrier, and the authorized carrier shall refund or credit to the subscriber 50 percent of all charges paid by the subscriber to the unauthorized carrier. *See id.* §§ 64.1140, 64.1170.

⁷ *Id.* § 1.719 (Commission procedure for informal complaints filed pursuant to Section 258 of the Act); *id.* § 64.1150 (procedures for resolution of unauthorized changes in preferred carrier).

⁸ *See* United Response to Informal Complaint No. 645383, filed Dec. 14, 2015; United Response to Informal Complaint No. 2163371, filed Feb. 15, 2018.

⁹ *See Reduced Rate Long Distance, Complaint Regarding Unauthorized Change of Subscriber's Telecommunications Carrier*, Order, 23 FCC Rcd 11492, 11494, para. 4 (CGB 2008) (finding the TPV was not intelligible and therefore the carrier had not provided clear and convincing evidence of a valid authorized carrier change).

¹⁰ If any Complainant is unsatisfied with the resolution of its complaint, such Complainant may file a formal complaint with the Commission pursuant to Section 1.721 of the Commission's rules. *Id.* § 1.721. Such filing will be deemed to relate back to the filing date of such Complainant's informal complaint so long as the formal complaint is filed within 45 days from the date this order is mailed or delivered electronically to such Complainant. *See id.* § 1.719.

¹¹ *See id.* § 64.1160(b).

¹² *See id.* § 64.1160(d).

¹³ *See id.* § 64.1140, 64.1160.

7. IT IS FURTHER ORDERED that this Order is effective upon release.

Sincerely,

A handwritten signature in blue ink, appearing to read "Nancy Stevenson", is positioned above the printed name.

Nancy Stevenson
Deputy Chief
Consumer Policy Division
Consumer & Governmental Affairs Bureau